

Enforcement and Compliance Track

EPA and State Innovative Settlements Workshop

Missouri V. Premium Standard Farms, Inc.

PROBLEM:

Missouri's pork industry changed dramatically during the roaring nineties with production shifting from predominantly small "family farms" to larger-scale "factory" production. This production shift resulted in environmental and social challenges. Industrialized hog production relies on high population density in a confined herd. A high density population produces a comparably high volume of waste. And with industrialized hog production, conventional waste-handling systems require greater volumes of water to flush the wastes from the confinement barns. Next, the effluent is piped to fields where it is land-applied at rates intended to provide essential nutrients for crop growth. These primitive anaerobic systems generate excessive nuisance odors and are prone to spill effluent that is often toxic to aquatic life.

Premium Standard Farms, Inc., one of the nation's largest pork producers, historically had repeated problems with its anaerobic waste-handling systems in Missouri, resulting in several fish kills and continuous odor complaints. Premium Standard raises more than two million hogs per year in Missouri generating nearly six times as much waste as the human population of Kansas City with only anaerobic waste treatment. Traditional regulatory approaches were not well-suited to this problem.

INNOVATIVE SOLUTION:

The solution was to require the industry to implement Next Generation Technology to improve environmental performance and the quality of life for rural Missourians. To that end, Missouri and Premium Standard entered into a unique settlement whereby the court appointed a three-member Management Advisory Team to help Premium Standard design and implement Next Generation Technology at its Missouri CAFOs. The Team is comprised of three university professors who are nationally-recognized experts in animal waste management. Collectively, the Team has the power to veto or approve expenditures proposed annually by the company in a "work plan" process which includes an opportunity for public comment. Premium Standard must spend at least \$25 million to implement Next Generation Technology approved by the Team at all Missouri CAFOs within a five-year period. The State has the right to demand an accounting and the company must provide an annual report of expenses.

RESULTS:

The Team is evaluating the Year Two Work Plan. During year one, Premium Standard has constructed an entirely new waste-handling system based on nutrient reduction principles at its Whitetail Farm CAFO. Premium Standard also has constructed a full-scale pilot Internal Recirculation System (IRS) at one operating location that reduces nutrients in the effluent through solids separation and reduces hydraulic lagoon loading through recirculating flush water. The IRS harvests the solids for use in value-added fertilizer and energy products. The Team and Next Generation Technology approaches are promising. We hope to select a "Next Generation Technology" for complete implementation within the next twelve months.

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